



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.08

Required Report - public distribution

**Date:** 7/11/2005

**GAIN Report Number:** SA5010

## Saudi Arabia

## Biotechnology

## Annual

## 2005

**Approved by:**

Asif J. Chaudhry  
U.S. Embassy, Cairo, Egypt

**Prepared by:**

Hussein Mousa, Fred Giles

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**Report Highlights:**

This report discusses the current government policy governing the production/consumption of agricultural biotechnology products in Saudi Arabia.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Annual Report  
Riyadh [SA2]  
[SA]

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## SECTION I. EXECUTIVE SUMMARY

Saudi Arabian Ministries of Agriculture and Commerce and Industry implemented biotech-labeling decrees on animal feed and processed foodstuffs in January 2004 and December 2001, respectively. The decrees require a positive biotech labeling if a product contains more than one percent of genetically modified vegetable (plant) ingredients. Thus far, the Saudi biotech-labeling requirement has not drastically affected imports of U.S. agricultural products. Biotech grains such as corn and soybean meal are being imported from the U.S. and other suppliers. According to Saudi importers, U.S. high value food products declared biotech free have tested negative and companies whose products test negative will not be tested again for another six months. The Kingdom is currently reviewing both ministerial biotech-labeling decrees to establish a comprehensive biotech standard that would govern imports of all agricultural products.

## SECTION II. BIOTECHNOLOGY TRADE AND PRODUCTION

The Saudi Arabian Ministry of Agriculture (MOA) banned imports of biotech seeds in January 2004, and thus no biotech crop is grown in the country. Both the MOA and the Saudi Ministry of Commerce and Industry (MOCI), respectively, allow imports of biotech grain and plant/vegetable based processed foodstuffs as long as they are labeled. Saudi Arabia is one of the richest countries in the Arabian Peninsula, and agricultural products importers do not face difficulties in obtaining hard currencies to cover the cost of imports.

## SECTION III. BIOTECHNOLOGY POLICY

In December 2001, MOCI implemented its biotech labeling decree for processed foodstuffs. The decree requires a positive biotech labeling if a product contains genetically modified vegetable (plant) ingredients. In a similar move, the Saudi Ministry of Agriculture (MOA) implemented in January 2004 a comparable biotech-labeling requirement on animal feed, fruit and vegetables while banning imports of biotech seeds.

Following is a summary of the biotech labeling requirements implemented by the MOCI:

A. Positive labeling: If a product contains one or more genetically modified plant ingredient, the information should be clearly communicated to the consumer by labeling. A triangle should be drawn on the label with text that should read "Contains Genetically Modified Product (s). The Ministry will not accept a statement that says "This Product May Contain biotech Ingredients." Saudi Arabia does not permit imports of foodstuffs that contain genetically engineered animal products. According to the MOCI, local food producers must also abide by the biotech labeling requirements.

B. Bilingual labeling: The biotech statement must be clearly written in Arabic and English languages with ink color different from that of the main product tag.

C. Health certificate: Biotech products exported to Saudi Arabia must have been approved in the country of origin for human or animal consumption. Each shipment must be accompanied by a health certificate issued by a government agency stating that the biotech ingredient used in the foodstuff is approved in the country of origin for human or animal consumption.

D. PCR Real Time Method: MOC approved the PCR Real Time Method for biotech testing and set a one percent threshold for cross contamination. King Faisal Specialist Hospital and Research Center (KFSH) based in Riyadh conducts biotech testing on imported and locally

produced foodstuffs. Saudi importers are charged a testing fee of \$480 per product sample tested. It takes approximately four weeks for the importer to receive the test results. If the test results reveal more than one percent of biotech ingredient, the product is either destroyed locally or re-exported to the country of origin.

E. Biotech health certificate: The Saudi Ministry of Commerce has agreed to accept health certificates issued by state departments of agriculture for high value products instead of the previous requirement that the certificates be issued by a federal government agency such as USDA or FDA for U.S. products. The Ministry has reiterated its refusal to consider any health certificate issued by exporting companies or other private organizations including notary public statements.

F. For U.S. grains: The MOA has accepted a one-time biotech grains certification statement from the Grain Inspection, Packers and Stockyards Administration (GIPSA) submitted to the Ministry in 2003. The statement certified that the exported transgenic grains are the same as those consumed in the United States. The approved statement eliminates the need for a shipment-by-shipment positive biotech certification for corn and soybean meal exported to the Kingdom. The MOA still requires each shipment of biotech fruits and vegetables to be labeled and accompanied by a biotech health certificate. In 2004, the MOA banned imports of all types of biotech seeds.

In February 2005, the Saudi Government announced the establishment of a national high-level committee consisting of four ministries, the Saudi Arabian Standard Organization (SASO), universities and the private sector to conduct a comprehensive policy review of current biotech labeling requirements. The committee distributed its draft standard for public comment in early May 2005 and will receive feedback from interested parties until August 6, 2005. After taking into consideration comments received from interested parties including USDA, SASO will review the draft standard and forward a final version to its Board of Directors for final approval in November 2005.

Thus far, all agricultural biotech related restrictions have been placed through ministerial decrees issued by the two aforementioned ministries. The Saudi Arabian Bio-Safety Committee advises the two ministries on the latest agricultural biotech related issues. The committee, which is composed of the MOA, MOCI, SASO, Ministry of Health, local universities, and the Customs Department, meets as needed to discuss issues and developments.

#### **SECTION IV. MARKETING ISSUES**

Both MOA and MOCI allow imports of bulk and processed biotech agricultural products, respectively, provided they are labeled if more than one percent of biotech contamination is present. Biotech grains such as corn and soybean meal are imported from the U.S. and other suppliers. Saudi labs at the port of entry take food samples on a random basis for biotech testing. According to Saudi companies that import foodstuffs from the U.S., test results thus far have been satisfactory. Food products declared biotech free have tested negative, and companies whose products test negative will not be tested again for another 6 months.

Despite the passage of more than four years since MOCI implemented its biotech-labeling requirement, no biotech labeled consumer oriented foodstuffs are seen in any supermarket in the Kingdom. Major foodstuff importers, who import foodstuffs under their own brand names or who serve as exclusive agents for well-known international brands, have not imported biotech positive foodstuffs. There is a strong fear of jeopardizing local product

image and losing market share. Limited quantities of institutional size biotech labeled processed foods are being imported.

Several local newspapers articles issued on agricultural biotechnology over the past several years concentrated solely on its alleged negative impact on human health as well as on the environment. Articles published in European newspapers, mostly, written by Green Peace and other anti-agricultural biotech groups, were re-published in local newspapers. No local government agencies or agricultural research centers have initiated a favorable media campaign to give unbiased information on biotech food to the public. The Ministry of Commerce and Industry has made it unequivocally clear on several occasions that the primary reasons for requiring labeling of biotech foods are the consumers' right to know. The ministry also wants to discourage Saudi consumers from eating biotech foods until the long-term effects of consumption are known. Consequently, importers have been asking their U.S. suppliers to put the biotech free symbol on product labels to match initiatives taken by many European suppliers. Shoppers in local supermarkets can now find many American and European foodstuffs with biotech free labels.

## **SECTION V. CAPACITY BUILDING AND OUTREACH**

MOCI convened an international conference on agricultural biotechnology in Riyadh February 7-8, 2005. The objective of the conference was to create a forum where national and international views on the various policy aspects of agricultural biotechnology could be heard and discussed to assist the Kingdom in reviewing its biotech label requirements and issue a comprehensive biotech standard that would govern imports of agricultural products.

Several Saudi Arabian food safety experts, as well as invited foreign agricultural biotech specialists from the United States, Australia, Canada, Argentina, Saudi Arabia, Italy, FAO and UNESCO, delivered diverging views on import policy considerations for products derived through agricultural biotechnology. During the conference, the discussions primarily focused on four topics: 1) national and international laws on agricultural biotechnology; 2) advantages and disadvantages of agricultural biotechnology; 3) labeling requirements; and 4) testing methods.

In 2001 and 2003, ATO Riyadh assisted the U.S. Feed Grains Council (USFGC) in recruiting two groups of Saudi government food safety experts for weeklong trips to the U.S. to visit with USG agricultural biotech regulatory officials and research facilities to provide educational opportunities on the safety of biotech foods. During the two trips, the Saudi officials met in Washington with officials from USDA/FAS, EPA, FDA and the State Department. The two groups were given an overview of the development of biotechnology as well as the evolution and current status of USG regulations.

In addition to meeting with the USG agencies, the delegations met with a panel of private sector representatives from the American Soybean Association, Groceries Manufacturers of America, National Food Processors of America and the U.S. Grains Council. The cooperators provided the visiting delegates with the U.S. industry perspectives on the marketing of biotech products. The Saudi group also visited the largest U.S. seed producer, DuPont/Pioneer in Des Moines, Iowa. The members also visited the company's agricultural labs, sites of field trials, nearby corn and soybean farms, as well as a grain elevator.

Regionally, senior Saudi food safety officials were sponsored under section 108 and by USFGC to attend several biotechnology risk assessments workshops and seminars in Dubai, Cairo and Tunis over the past four years. Locally ATO Riyadh assisted the USFGC organize several biotech seminars in Riyadh and Jeddah from 2001 to 2003. The local seminars focused mainly on providing latest information on biotech corn to local feed importers.

**SECTION VI. REFERENCE MATERIAL**

I. Following is a sample certificate issued by a state department of agriculture and accepted by Saudi port authorities:

*Certificate of Health and Free Sale, Sanitary and Purity*

"I, (name of state official), do hereby certify that (name of U.S. company and address) operates a food manufacturing plant which is inspected at regular intervals by full-time inspectors employed by the (name of state) Department of Agriculture. The facility's equipment and raw materials, as well as the processing and packaging procedure, meets all sanitary requirements and the operation is in good standing in every respect. We certify the following listing of products as freely, and without qualification, sold and used in the United States of America (USA).

This product may contain genetically modified organisms.

This certificate shall be good for one year from the date of issue.

This certificate is not to be construed as either an expression of implied warranty of any products of said company, nor shall it be used for propaganda, advertising, or other simple purposes.

This certificate shall not be altered after the issue date, or it will be deemed void by the (name of state) Department of Agriculture and the undersigned.

(The certificate should be issued with the seal of the State Department of Agriculture, notarized, and signed by the appropriate State Department of Agriculture official)."

II. Below is GIPSA's one-time grains certification statement accepted by the Saudi Ministry of Agriculture in lieu of a shipment-by-shipment biotech certification requirement.

Crop	Statement
<b>Soybeans</b>	<p>We hereby certify that the soybeans may come from genetically modified soybeans of the type Monsanto Roundup Ready Soybeans that have been approved for import into the EEC under directive 96/281/ EC.</p> <p>The soybeans may come from genetically modified soybeans of the type Monsanto Roundup Ready Soybeans.</p> <p>Transgenic soybeans commercially produced in the United States have completed the necessary review under the U.S. regulatory process for determining the safety of new agricultural biotechnology products. This well coordinated regulatory process sets U.S. standards for human, animal, and plant health, and environmental safety. The transgenic soybeans used for domestic purposes are the same as those used for export.</p>
<b>Corn</b>	<p>Transgenic corn commercially produced in the United States has completed the necessary review under the U.S. regulatory process for determining the safety of new agricultural biotechnology products. This well coordinated regulatory process sets U.S. standards for human, animal, and plant health, and environmental safety. The transgenic corn used for domestic purposes is the same as corn used for export.</p>
<b>Testing Parameters</b>	<p>The sample was tested using a method equal to or exceeding the performance of the A's GIPSA testing recommendations, as set out in Directive 9181.1.</p>